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Message Text

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73
ACTION EB-07

INFO OCT-01 AF-06 ARA-06 EUR-12 EA-07 NEA-10 IO-10 ISO-00

AID-05 CIAE-00 COME-00 FRB-03 INR-07 NSAE-00 USIA-06

TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01

OMB-01 NSC-05 SS-15 STR-04 CEA-01 L-03 H-02 INT-05

GSA-01 DODE-00 PA-01 PRS-01 /132 W
---------- 100095
P R 202150Z NOV 75
FM AMEMBASSY LIMA
TO SECSTATE WASHDC PRIORITY 7741
INFO AMEMBASSY BELGRADE
AMEMBASSY CANBERRA
AMEMBASSY GABORONE
AMEMBASSY JAKARTA
AMEMBASSY KINSHASA
AMEMBASSY LA PAZ
AMEMBASSY LONDON
AMEMBASS LUSAKA
AMEMBASSY MANILA
AMEMBASSY NOUAKCHOTT
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY PORT MORESBY
AMEMBASSY SANTIAGO
AMEMBASSY TEHRAN
AMEMBASSY VIENNA
USMISSION GENEVA
USUN NEW YORK 686

C O N F I D E N T I A L LIMA 9656

FOR EB - MR. ENDERS; ARA - MR. FISHLOW; TREASURY - MR. PARSKY;
VIENNA FOR UNIDO DELEGATION

DEPARTMENT PASS OTHER POSTS AS APPROPRIATE
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E.O. 11652: GDS
TAGS: EMIN, ETRD, XX
SUBJECT: CIPEC MINISTERIAL - RESOLUTION ON STABLIZATION
OF COPPER MARKET

REF: A) LIMA 9601; B) LIMA 9647; C) LIMA 9653

FOLLOWING IS TEXT OF CLASSIFIED CIPEC RESOLUTION ON STABLIZATION OF COPPER MARKET, WITH COMMENTS AS APPROPRIATE:

QUOTE: "LIMA, NOVEMBER 1975 - RESOLUTION ON THE STABLIZATION OF THE COPPER MARKET -

THE VIIITH SESSION OF THE CONFERENCE OF MINISTERS OF CIPEC MEETING IN LIMA ON NOVEMBER 17-19, 1975, AWARE OF THE URGENT NEED OF ESTABLISHING AN AGREEMENT TO STABILIZE THE COPPER MARKET IN ACCORDANCE WITH THE AIMS OF THE ORGANIZATION AND IN LINE WITH THE SECOND PARAGRAPH OF THE PREAMBLE OF THE CIPEC AGREEMENT.
CONSIDERING THE EFFORTS MADE WITHIN SEVERAL INTERNATIONAL BODIES AND THE RECENT PROGRESS TOWARDS ACHIEVING A NEW ECONOMIC ORDER IN ACCORDANCE WITH THE AIMS OF CIPEC.
WISHING TO CONTRIBUTE IN A CONCRETE AND EFFICIENT MANNER TO THE ACHIEVEMENT OF THESE EFFORTS.
AGREES AS FOLLOWS:

1. CIPEC MEMBER COUNTRIES, REAFFIRMING THE NEED TO PREVENT EXCESSIVE FLUCTUATIONS IN THE PRICE OF COPPER AND THE NEED TO MAINTAIN A PRICE THAT WILL BE FAIR FOR PRODUCERS AS WELL AS CONSUMERS, DECLARE THEIR SUPPORT FOR THE ESTABLISHMENT OF A DIALOGUE BETWEEN COPPER PRODUCING AND CONSUMING COUNTRIES TO ACHIEVE THIS GOAL.

2. THE CONFERENCE REQUESTS THE PRESIDENT AND THE SECRETARIAT TO TAKE ALL NECESSARY INITIATIVES IN PROMOTING THE NEGOTIATION OF A SUITABLE COPPER PRICE STABILIZATION AGREEMENT.

3. IN ORDER TO ALLOW MEMBER COUNTRIES TO EFFECTIVELY
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PARTICIPATE IN THE DIALOGUE BETWEEN COPPER PRODUCING AND CONSUMING COUNTRIES, THE CONFERENCE DECIDES THAT CIPEC SHOULD PARTICIPATE AS A SPECIALIZED ORGANIZATION IN THE DISCUSSIONS OF THE PARIS CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION WHICH MIGHT AFFECT COPPER. THE EX-COMMITTEE OF CIPEC WILL ALSO DECIDE ON THE PARTICIPATION OF CIPEC IN OTHER INTERNATIONAL FORUMS AT WHICH THIS DIALOGUE TAKES PLACE.

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4. THE CONFERENCE NOTES WITH INTEREST THE REPORTS MADE BY REPRESENTATIVES OF UNCTAD AND THE IMF ON THE INTEGRATED COMMODITY PROGRAM AND THE FINANCING OF BUFFER STOCKS. THE CONFERENCE REQUESTS THE SECRETARIAT TO PREPARE A DETAILED STUDY OF THE FUNCTIONING AND FINANCING OF A COPPER BUFFER STOCK FOR SUBMISSION TO THE NEXT MEETING OF THE COMMITTEE ON MARKETING POLICY. (EMBASSY COMMENT: ZAMBIANS OPPOSED ANY CONSIDERATION OF A BUFFER STOCK SCHEME AND RELUCTANTLY AGREED TO LANGUAGE AUTHORIZING A STUDY. THE AUSTRALIANS ALSO OPPOSED SUCH A SCHEME AND SUGGESTED THERE ARE OTHER OPTIONS AVAILABLE TO THE MEMBERS. THE CHILEANS WERE ALSO LUKEWARM TO BUFFER SCHEME MECHANISM. PERUVIANS POINTED OUT THAT AN EARLIER CIPEC MEETING HAD AUTHORIZED A BUFFER STOCK MECHANISM, BUT CHILEANS COUNTERED THAT AT THAT TIME CIPEC WAS ONLY CONSIDERING BUFFER STOCK FOR PRODUCERS. PRESENT SITUATION IS ENTIRELY DIFFERENT, SINCE CIPEC ITSELF REALIZES THAT CONSUMERS WOULD HAVE TO FORM INTEGRAL PART OF ANY EVENTUAL BUFFER STOCK ARRANGEMENT.)

5. THE CONFERENCE ENTRUSTS THE COMMITTEE ON MARKETING POLICY WITH THE RESPONSIBILITY OF CONSTANTLY REVIEWING PROGRESS IN THE DIALOGUE BETWEEN PRODUCERS AND CONSUMERS.

6. THE PRESIDENT OF THE CONFERENCE OF MINISTERS IS ENTRUSTED WITH MAKING THE NECESSARY CONTACTS FOR CIPEC TO PARTICIPATE AS AN OBSERVER IN THE COUNCIL OF ASSOCIATIONS OF PRODUCERS AND EXPORTERS OF RAW MATERIALS AFTER WHICH CIPEC WILL DECIDE ON THE MANNER IN WHICH IT SHALL PARTICIPATE IN THIS COUNCIL. (EMBASSY COMMENT: CHILEANS NOTED THAT SINCE THEY HAD NOT ATTENDED LIMA NON-ALIGNED CONFERENCE WHERE DECISION WAS MADE TO ENDORSE
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CIPEC'S PARTICIPATION AS AN OBSERVER IN THE COUNCIL OF ASSOCIATIONS OF PRODUCERS AND EXPORTERS OF RAW MATERIALS, THEY WERE NOT INFORMED ABOUT THE GENESIS OF THE IDEA OR THE ROLE CIPEC WOULD PLAY. THUS, THE COMPROMISE LANGUAGE NOTED ONLY THAT AFTER "NECESSARY CONTACTS...CIPEC WILL DECIDE ON THE MANNER IN WHICH IT SHALL PARTICIPATE...")
END QUOTE.
DEAN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Draft Date: 20 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: SmithRJ
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: GS
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Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 02 APR 2003
Review Event:
Review Exemptions: n/a
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To: STATE
Type: TE
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